WASHINGTON, DC – Congressman Steny H. Hoyer (MD-5) released the following statement today after the House Committee on Energy and Commerce Democrats released a district-by-district analysis of the impact on Medicare beneficiaries of the Republican budget proposal for fiscal year 2012:

"Republicans have now voted twice to end Medicare, which would raise costs and cut benefits for seniors here in Maryland's Fifth District," **stated Congressman Hoyer.** "I strongly believe that getting our debt under control demands hard choices and must be addressed now, but ending Medicare and shifting health care costs onto seniors as the Republican budget intends to do is not a plan I can support. I am committed to reducing the deficit and balancing our budget, but we must not do so on the backs of our older Americans and the middle class. I hope that both parties can work together to support a budget plan that makes the hard choices necessary to keep this essential program solvent for years to come."

The budget passed by House Republicans in April 2011 would end Medicare, raising costs for seniors and individuals with disabilities enrolled in Medicare, reducing their benefits, and putting private insurance companies in charge of the program. For current beneficiaries, important benefits – such as closing the hole in Medicare's drug coverage – would be immediately eliminated. For individuals age 54 and under, Medicare's guarantee of comprehensive coverage would be replaced with a "voucher" or "premium support" to buy private health insurance, which would shift thousands of dollars in costs onto the individual.

This analysis by the House Committee on Energy and Commerce Democrats shows the immediate and long-term impacts of these changes in Maryland's Fifth Congressional District. It would:

• Increase prescription drug costs for **4,100 Medicare beneficiaries** in the district who enter the Part D donut hole, forcing them to pay an extra **\$41 million**

for drugs over the next decade.

· Eliminate new preventive care benefits for **80,000 Medicare beneficiaries** in the district.

According to the analysis, the Republican proposal would have an even greater impact on individuals in the Fifth District age 54 and younger who are not currently enrolled in Medicare. It would:

- Deny **590,000 individuals age 54 and younger** in the district access to Medicare's guaranteed benefits.
- · Increase the out-of-pocket costs of health coverage by **over \$6,000 per year in 2022** and by almost

\$12,000 per year in 2032

for the

133,000 individuals in the district who are between the ages of 44 and 54.

- Require the 133,000 individuals in the district between the ages of 44 and 54 to save an additional \$31.1 billion for their retirement an average of \$182,000 to \$287,000 per individual to pay for the increased cost of health coverage over their lifetimes. Younger residents of the district will have to save even higher amounts to cover their additional medical costs.
- Raise the Medicare eligibility age by at least one year to age 66 or more for **77,000** individuals

n the district who are age 44 to 49 and by two years to age 67 for **461,000 individuals**

in the district who are age 43 or younger.

For more information of the impact of the Republican budget on Fifth District residents, <u>click</u> here

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